COMPENSATION REVIEW COMMISSION

Report of

Information Received by the Commission

and

Recommendations

TABLE OF CONTENTS

Overview	1
Commission Responsibilities and Activities Statutory Authority and Membership Meetings	2
Summary of Information Received by the Commission Since Last Report Legislative Expenses Legislative Pay Other Legislative Expenses and Pay Information Pay of Statewide Elected Officials	6
Commission Recommendations For Legislative Salary For Legislative Expense Allowance For Salary of Statewide Elected Officials and the Governor	8
Draft Documents Concurrent Resolution for Legislative Approval of Recommended Salaries Changes in Statutory Language to Implement Recommended Changes in Expense Allowances House Resolution to Repeal Provisions for House Supplemental Expense Account	. 13
Annandicas	23

OVERVIEW

The Compensation Review Commission, created by Act No. 1040 of the 1999 Regular Session of the Legislature (R.S. 42:1481 et seq.), submits this report in compliance with R.S. 42:1485.

The commission was appointed after the Organizational Session of the Legislature in January, 2000, and the law required that a report be submitted by February 24, 2000. That report, submitted to you last year, described the meetings held by the commission, provided a summary of the extensive information and testimony received by the commission, and made recommendations primarily concerning commission responsibilities and related procedures. These recommendations were enacted at the 2000 First Extraordinary Session of the Legislature.

The legislation enacted last year required that the commission not limit itself to recommendations for salary only, but that it consider all forms of compensation, benefits, and expenses of legislators and statewide elected officials. It also required that the commission report 60 days prior to regular sessions in odd-numbered years. This report is submitted in accordance with that legislation.

This report includes:

- ~ A description of commission responsibilities and of commission activities since the last report.
- ~ A summary of information received by the commission since the last report.
- ~ Commission recommendations.
- A draft of a concurrent resolution to approve salary recommendations, and drafts of statutory changes and a House Resolution to provide rule changes to implement the commission's other recommendations.
- ~ Appendices

Minutes of meetings.

Written information received by the commission since our last report.

The summary of information received by the commission last year, as included in last year's report.

COMMISSION RESPONSIBILITIES AND ACTIVITIES

Statutory Authority and Membership

Created by Act No. 1040 of the 1999 Regular Session of the Legislature, the Compensation Review Commission is composed of nine members: two appointed by the president of the Senate, two by the speaker of the House of Representatives, one by the chief justice of the Louisiana Supreme Court, and four selected by a majority of the statewide elected officials.

The commission is charged with the responsibility of making "a study of the salaries, expenses, reimbursements, other forms of compensation, and benefits of statewide elected officials and members of the legislature." The law requires that the commission submit its recommendations concerning the salaries, expenses, reimbursements, other forms of compensation, and benefits of these officials to the legislature 60 days prior to the commencement of any regular session of the legislature in an odd-numbered year. Thereafter, it may submit a report every two years at any regular session of the legislature in an odd-numbered year.

The law provides that the salaries recommended in the report will become effective if approved by concurrent resolution adopted by a favorable vote of the majority of the elected members of each house and further provides that they shall take effect on the day recommended by the commission in its report. The concurrent resolution must specify the effective date for salaries provided in the commission report. The same procedures and formalities required for the passage of a bill, except for submission to the governor, are required for adoption of the concurrent resolution to approve the salary recommendations of the report. Recommendations of the commission, other than salary recommendations, may be implemented only as provided by such change in law, resolution, rule, or policy as is necessary to provide for such implementation. (See Appendix 1.1)

Meetings

The Compensation Review Commission conducted extensive hearings and received a volume of information concerning the compensations, expenses, benefits, and reimbursements of legislators and statewide elected officials at a series of meetings during the early part of 2000. A summary of the information received at those hearings is included in the commission report dated February 16, 2000. (See Appendix 1.2)

After the legislative sessions, the commission resumed its work on September 28 and 29, 2000. The meeting focused on the issue of the expenses of legislators. The commission reviewed information about legislative expense allowances and reimbursements. Testimony was received from the presiding officers of both houses, the Senate comptroller and the House controller, the secretary of the Senate, the clerk of the House of Representatives, and two senators. The commission adopted a recommendation concerning an expense allowance for members at this meeting. (See Appendices 2.0 through 2.4 and 5.0)

The commission met again on January 8, 2001. At this meeting the commission reviewed information concerning legislative salary, the legislators' unvouchered expense allowance, and per diem. The recommendation adopted at this meeting was replaced by a recommendation adopted at the meeting on January 22. (See Appendices 3.0 through 3.6)

At a meeting on January 22, the commission heard from a CPA familiar with income tax regulations affecting legislators. The commission further considered the matter of legislative pay and adopted a new recommendation. Next, the commission took up the matter of the salary of the governor and other statewide elected officials. Testimony was received from four of the statewide elected officials at this meeting. After a review of information, as well as comparisons with other state officials' and judges' salaries, concerning salary and benefits of statewide elected officials and comparisons with other states, the commission adopted a recommendation for salary amounts for these officials. (See Appendices 4.0 through 4.10)

SUMMARY OF INFORMATION RECEIVED BY THE COMMISSION SINCE LAST REPORT

(Note: The commission also received a great deal of information that was summarized in the February, 2000, report. That report is also included in the appendices of this report for convenience. (See Appendix 1.2))

Legislative Expenses

Materials prepared by staff and testimony before the commission provided information to the commission about current expenses of legislators and current provisions for meeting those expenses.

Current provisions for vouchered expense allowances for members are summarized in the table below:

Current Monthly Vouchered Expenses				
House	Vouchered expense allowance	\$ 6,000		
	Vouchered supplemental expense account (\$18,000 less 10% voluntary reduction)	\$ 16,200		
	Total	\$ 22,200		
Senate	Vouchered expense allowance	\$ 6,000		
	Avg. expenses paid by Senate per member*	\$ 4,785*		
	Total	\$ 10,785		

^{*} Based upon best available information.

Other current provisions for paying or reimbursing expenses of legislators are summarized in the following table:

Other Provisions for Paying or Reimbursing Expenses ~ Both Houses					
Office Furniture & Equipment	For purchase of district office furniture and equipment \$ 2,000 after election, \$500 after each subsequent re-election				
Mileage	Mileage is paid equal to the federal mileage rate (32.5 cents in 2000). Paid for one round-trip per week during session and for attendance at committee meetings in the interim, task force meetings, study committee meetings, and other duties approved by the presiding officer.				
Computers	Laptop computer provided for each member. Desktop computer provided for district office. Senators also may have desktop computer in capitol office. Additional software is available upon approval of presiding officer (In the House, would be charged to member's supplemental account)				
Capitol Offices	All senators have a furnished office in the Capitol. House committee chairs and some House vice chairs have furnished offices in the Capitol.				

Testimony of two senators indicated a wide divergence of opinion and individual circumstances and demonstrated how the needs of members in meeting expenses are affected by personal wealth, family and business responsibilities, and approach to the legislator's job.

The Senate comptroller provided a table summarizing average expenditure per senator from 1996 through 1999, by category. (See Appendix 1.4) Secretary of the Senate, Mike Baer, testified that the Senate's non-statutory payments for individual Senators for certain expenses as approved by the presiding officer averaged \$ 4,807 per year contrasted with the supplemental expense account provided to House members (up to \$18,000 per year). (Note: House members have voluntarily reduced this amount by 10% during the current fiscal year.) Material provided by the Senate comptroller also detailed expenses by district.

Speaker DeWitt provided a packet of information to the commission, entitled *Louisiana House of Representatives, Compensation of Members.*" The packet provided detailed information concerning salary, per diem, and expense allowances of House members. (See Appendix 1.5)

The Senate president and the House speaker both responded to many questions by commissioners. (See minutes of 9/28/00 meeting. (Appendix 1.0))

In response to questions, Speaker DeWitt and the House controller explained in some detail the kinds of expenses of members that are reimbursed through the supplemental expense account provided for House members. (The Senate has no such allowance, but pays for some expenses of members as described above.) Specifically mentioned were special per diem (such as for out-of-state travel, special task forces, and non-session per diem for other than interim committee meetings), district mileage, travel, furniture and equipment, office supplies, postage, janitorial services, telephone, utilities, stationery, printing, and rent. Prior approval from the speaker's office is required for any purchase of \$250 or more and out-of-state travel.

The commission received detailed information from a freshman Senator who had served in the House about expenses he had charged to his supplemental expense account when he was a House member. (See Appendix 2.3). He discussed the use of the allowance for newsletters, the House policy of not paying for political content of newsletters, and the procedure for reviewing them for political statements. He stated his opinion that there should be no partial payments based on the portion of the newsletter considered nonpolitical; rather political language should be omitted. In response to questions, he explained the difficulties in using newspapers for distribution of such information to his constituents. He also explained that he sent his newsletter only to the area of his district directly affected. He responded affirmatively when asked if the reimbursement of expenses should be uniform in the two houses.

A copy of the resolution of the House Executive Committee that currently governs the House supplemental expense account is also included in this report. (Appendix 5.0)

Legislative Pay

The commission received information concerning current provisions for legislative pay. (See Appendix 1.3)

Current provisions for the salary, unvouchered expense allowance (treated as salary), and per diem of Louisiana legislators are summarized in the table below.

Note: The per diem amounts for the interim in the table below are based on records for only one year and on the average for all members; thus, necessarily, many members earn more than this amount. The salary has not been changed since 1980. The unvouchered expense allowance dates from 1997, when the vouchered expense allowance was reduced.

Current Pay for Louisiana Legislators					
Salary	Legislator's annual salary	\$ 16,800			
Unvouchered Expense	Legislator's monthly expense allowance Unvouchered Considered earned compensation Treated as				
Allowance	salary for tax purposes	6,000			
Subtotal		\$ 22,800			
Regular Session Per Diem	Legislator's receive a per diem for each day of a regular annual legislative session equal to the federal per diem rate for Baton Rouge (\$103 for 2000) Based on the maximum number of days, this is the average for the two year general/limited session cycle	\$ 6,695			
Special Session Per Diem	Based on the average number of special session days per year in recent years	618			
Interim Per Diem	Based on the average number of interim days of per diem, per legislator (other than speaker and senate president)	2,266			
Total		\$ 32,379			

Other Legislative Expenses and Pay Information

The commission heard from a CPA with expertise in income tax regulations applicable to legislative pay and expenses. He explained that a legislator's tax home is the state capital since a legislator is considered by tax law to be employed there. However, a legislator who lives more than 50 miles from the state capitol building may claim his district residence as his tax home. If the legislator makes this election (it is done annually on the tax return), he then can claim expenses incurred on legislative business as a tax deduction. The deduction rate is the greater of the federal or state per diem rate for the state capital (the state rate cannot exceed the federal rate by more than 10%). Rates are revised annually, effective on October 1. There are other tax rules involved, but a reimbursement

up to the amount of the federal or state per diem rate will not be taxed since it can be subtracted to arrive at adjusted gross income. Also, reimbursement less than the permitted per diem amount can be subtracted from expenses and the remaining expenses can operate as a deduction subject to certain restrictions. The CPA advised the commission that additional reimbursement of expenses beyond the permitted per diem rate (or 10% above that amount) would likely be taxable income for a legislator. (See Appendices 4.1 and 4.2 for related information provided to the commission.)

A table summarizing legislative pay and expenses in other states was also provided to the commission. (See Appendix 4.3)

The presiding officers of the House and Senate sent a questionnaire to all members of both houses inquiring about opinions concerning legislative pay and expenses. The responses received were compiled and the compilations from both houses were provided to the commission. (See Appendices 3.2 and 3.3)

Pay of Statewide Elected Officials

Much information was received by the commission concerning the demands and responsibilities of office for the governor and other statewide elected officials prior to the commission's last report. Other information compared salaries of these officials with their counterparts in other states and with other Louisiana department heads. (A copy of the summary of that information from the prior report is contained in Appendix 1.2 of this report. Also see Appendix 4.8) In arriving at its recommendations concerning these officials, the commission reviewed some of this salary information. They reviewed information that indicated that many employees and appointed officials in Louisiana state government are paid greater salaries than the statewide elected officials. They also received information comparing the benefits of Louisiana's statewide elected officials with those holding the same office in other states. (See Appendix 4.7)

Louisiana's governor currently is entitled to a salary of \$95,000 and the other statewide elected officials receive a salary of \$85,000. The chief justice of the Louisiana supreme court currently receives a salary of \$107,933 and an additional allowance for housing and other expenses of \$18,000. Information received by the commission last year indicated that in Louisiana 276 classified positions have salary levels of \$70,000 or more and 2,645 unclassified positions were at or above this level. Based upon January 2000 salaries, of the twelve department heads who are not statewide elected officials, only six made less than the statewide elected officials and four made salaries greater than the salary authorized for the governor. (See Appendix 6.1 of Compensation Review Commission Report of February 16, 2000.)

COMMISSION RECOMMENDATIONS

Commission Recommendation for Legislative Salary as Adopted by the Commission on January 22, 2001

This recommendation for payment of legislative salary is in addition to the recommendation for a legislative expense allowance adopted by the commission on September 29, 2000.

Recommendation:

Salary

That the unvouchered expense allowance be discontinued; that the annual salary of each legislator shall be \$41,500; that the annual salary of the House speaker and the Senate president shall be \$72,450 per year; that the annual salary of the House speaker pro tempore and the Senate president pro tempore shall be \$51,500.

Effective Date:

That the salary increases recommended shall become effective as follows:

- (1) That one-half of the salary increase shall become effective when a salary increase or increases for teachers in Louisiana public elementary and secondary schools granted after this date in a total amount of \$3,000 from this date become effective, and
- (2) That only after condition (1) is met, the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.

Commission Recommendation for Legislative Expense Allowance as Adopted by the Commission on September 29, 2000

Recommendation: That the \$500-per-month-vouchered expense allowance for House and Senate members be increased to \$1,500 per month, replacing the present \$1,500 vouchered supplemental expense allowance for House members, as well as Senate expenditures for senators for items now covered by the present House supplemental expense allowance; that a legislator may carry forward from month to month the unexpended balance from prior months, but may carry forward at the end of the fiscal year not more than an unexpended balance of \$3,000; that this vouchered expense allowance be the legal maximum expense allowance provided to a representative or a senator; that this limitation shall not preclude the payment by the House or Senate for a member of extraordinary expenses approved by the respective presiding officer and that such extraordinary expenses shall be reported to the Legislative Budgetary Control Council and the Compensation Review Commission; that the allowance shall be used only for expenses directly related to the duties of office and shall not be used for political purposes, including but not limited to any publication or communication that has the effect of supporting or opposing the election or reelection of a person to public or party office; that the legislature, through the Legislative Budgetary Control Council (LBCC), shall establish uniform rules for the House and Senate governing administration and permissible uses of the expense allowance and that the LBCC shall provide daily oversight and regulation of the expense allowance. It is further recommended that the commission reexamine the amount of the allowance each biennium.

Explanation: The \$500 vouchered allowance provided for in R.S. 24:31.4 is inadequate to allow a legislator to operate a full-time constituent service office. The lack of adequate funding forces legislators to solicit campaign contributions to meet these needs or to invest personal funds to run a district office. Legislators and potential candidates for the legislature vary widely in their ability to invest personal funds for this purpose.

Based upon the testimony presented to the commission, an increase in the R.S. 24:31.4 vouchered expense allowance is justified. The detailed information provided to the commission indicates that legislators have diverse demands upon their time, for their attention, and for services to their constituents. The commission's charge does not include the detailed management or oversight of exactly how each member uses the allowed vouchered expenses.

Therefore, R.S. 24:31.4 should be amended to change the vouchered expense allowance from \$500 per month to \$1,500 per month. This allowance should be defined as the legal maximum expense allowance to be provided to a legislator, thus making it impermissible to establish other such allowances other than by statute. This allowance would not replace or affect the present \$500 unvouchered expense allowance that is considered earned compensation, the every four-year furniture and equipment allowance, or the payment by the House and Senate, directly or through the LBCC, of costs for computers for legislators and their offices.

Regulations applicable to legislators' use of the vouchered allowance should be defined by the

legislature through the Legislative Budgetary Control Council, a joint leadership committee of the legislature, and the legislature should designate the LBCC as the appropriate internal organ for the daily oversight and regulation of the vouchered expense allowance. The regulations for use of the allowance should permit its use only for expenses directly related to the duties of the office of legislator and should exclude political purposes.

To assure that the amount of the allowance continues to meet the needs of legislators, the Compensation Review Commission should review the appropriate amount of the vouchered expense allowance each biennium.

Commission Recommendation for Salary for Statewide Elected Officials and the Governor As Adopted by the Commission on January 22, 2001

Recommendation:

Governor

That the annual salary of the governor shall be \$150,933.

Statewide Elected Officials - Lieutenant Governor, Secretary of State, Attorney General, Treasurer, Commissioner of Agriculture, Commissioner of Insurance, and Commissioner of Elections

That the annual salary of each of the other state officials elected statewide shall be \$125,933.

Funding:

That the salary increase shall be funded from the existing revenues of each respective department or office.

Effective Date:

That the salary increases recommended shall become effective as follows:

- (1) That one-half of the salary increase shall become effective on July 1, 2001, and
- (2) That the remaining one-half of the salary increase shall become effective on July 1, 2002.

Drafts
of
Concurrent Resolution for Legislative Approval of Recommended Salaries
Changes in Statutory Language to Implement Recommended Changes in Expense Allowances
House Resolution to Repeal Provisions for House Supplemental Expense Account

CONCURRENT RESOLUTION FOR LEGISLATIVE APPROVAL OF RECOMMENDED SALARIES

Regular Session, 2001

CONCURRENT RESOLUTION NO.

BY

1

ELECTED OFFICIALS/COMP: Approves salary amounts for legislators and statewide elected officials as recommended by the Compensation Review Commission

A CONCURRENT RESOLUTION

2 To approve salaries for legislators and statewide elected officials recommended by the 3 Compensation Review Commission in accordance with law, to authorize and direct 4 the state treasurer to pay the salaries so approved, and to provide an effective date 5 for such salaries. 6 WHEREAS, Act No. 1040 of the 1999 Regular Session of the Legislature created 7 the Compensation Review Commission and, as amended by Act No. 16 of the First 8 Extraordinary Session of 2000, the law requires the commission to make a study of the 9 salaries, expenses, reimbursements, other forms of compensation, and benefits of

statewide	elected	officials	and	members	of	the	legislature	and	to	submit	its
recommen	dations o	concerning	g con	npensation	and	bene	efits to the l	egisla	atur	e sixty d	lays
prior to the	e comme	ncement o	fany	regular ses	sion	of th	e legislature	in an	odo	d-numbe	ered
year; and											

WHEREAS, the law further provides that, if approved by concurrent resolution adopted by a favorable vote of the majority of the elected members of each house according to the same procedures and formalities required for the passage of a bill, except for submission to the governor, the salaries recommended in the report shall take effect on the day recommended by the commission in its report and it requires that the concurrent resolution specify such effective date for the salaries; and

WHEREAS, the law further provides that, other than recommended salaries, any other recommendation of the commission may be implemented only as provided by such change in law, resolution, rule, or policy as is necessary to provide for such implementation; and

WHEREAS, the Compensation Review Commission has held extensive public meetings, including meetings on January 19, 2000, February 8, 9, and 10, 2000, February 16, 2000, September 28 and 29, 2000, January 8, 2001, and January 22, 2001, and the commission has received testimony and information from a great number of organizations and individuals, including but not limited to the governor, statewide elected officials or their representatives, a number of secretaries of executive branch departments, the presiding officers of the House and Senate, the clerk of the House of

January 22, 2001 Page 14

1	Representatives and the secretary of the Senate, legislators and former legislators, and
2	lobbyists; and
3	WHEREAS, the commission has devoted much time and effort to receiving
4	testimony and information and to discussing and deliberating about the appropriate
5	salary amounts and other compensation and benefits which should be provided for
6	members of the legislature and statewide elected officials and has voted to submit its
7	recommendations in a report to the legislature as required by law.
8	THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
9	approve the salaries for legislators and for statewide elected officials as recommended
10	in the report of the Compensation Review Commission to the legislature, submitted as
11	required by law to the president of the Senate and the Speaker of the House of
12	Representatives on January 25, 2001.
13	BE IT FURTHER RESOLVED by the Legislature of Louisiana that the state
14	treasurer is authorized and directed to pay the salaries of legislators and statewide elected
15	officials approved by this Resolution.
16	BE IT FURTHER RESOLVED that, as provided in the report of the Compensation
17	Review Commission, the salaries for legislators, for the president of the Senate and the
18	speaker of the House of Representatives, and for the president pro tempore of the Senate

(1) That one-half of the salary increase shall become effective when a salary

Resolution shall become effective as follows:

and the speaker pro tempore of the House of Representatives approved by this

19

20

21

1	increase or increases for teachers in Louisiana elementary and secondary public schools
2	granted after January 22, 2001 in a total amount of \$3,000 or more become effective; and
3	(2) That only after condition (1) is met, the remaining one-half of the salary
4	increase shall become effective one year after the date the first half of the increase
5	becomes effective.
6	BE IT FURTHER RESOLVED that, as provided in the report of the Compensation
7	Review Commission, the salaries for the governor, the lieutenant governor, the secretary
8	of state, the attorney general, the state treasurer, the commissioner of agriculture, the
9	commissioner of insurance, and the commissioner of elections approved by this
10	Resolution shall become effective as follows:
11	(1) That one-half of the salary increase shall become effective on July 1, 2001; and
12	(2) That the remaining one-half of the salary increase shall become effective on
13	July 1, 2002; and
14	that the salary increases for each such official shall be funded from the existing revenues
15	of each respective department or office.
16	BE IT FURTHER RESOLVED that a copy of this Resolution shall be transmitted
17	to the state treasurer.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

CR No.

Present law created the Compensation Review Commission. Requires the commission to study of the salaries, expenses, reimbursements, other forms of compensation, and benefits of statewide elected officials and members of the legislature. Requires a report to the legislature 60 days prior to any regular session in an odd-numbered year. Provides that, if approved by concurrent resolution adopted by a favorable vote of the majority of the elected members of each house, the salaries recommended in the report shall take effect on the day recommended by the commission in its report. Requires that the Resolution specify such effective date. Requires that the Resolution be adopted according to the same procedures and formalities required for the passage of a bill, except for submission to the governor. Specifies that, other than the recommended salaries, any other commission recommendation may be implemented only as provided by such change in law, resolution, rule, or policy as is necessary to provide for such implementation.

<u>Proposed Resolution</u> approves the salaries for legislators and for statewide elected officials recommended in the report of the Compensation Review Commission to the legislature, submitted to the presiding officers as required by law on January 25, 2001. These salary amounts are:

Governor	\$ 150,933
Other Statewide Elected Officials	\$ 125,933
Legislators	\$ 41,500
Speaker of the House and Senate President	\$ 72,450
Speaker Pro Tempore and President Pro Tempore	\$ 51,500

<u>Proposed Resolution</u> authorizes and directs the state treasurer to pay the salaries so

January 22, 2001 Page 17

approved.

<u>Proposed Resolution</u> provides that the salaries approved shall become effective as follows:

Legislators and Legislative Officers

- (1) One-half of the salary increase shall become effective when a salary increase(s) for teachers in Louisiana public elementary and secondary schools in a total amount of \$3,000 or more (granted after January 22, 2001) becomes effective, and
- (2) Only after condition (1) is met, the remaining one-half of the salary increase shall become effective one year after the date the first half of the increase becomes effective.

Governor and Other Statewide Elected Officials

- (1) One-half of the salary increase shall become effective on July 1, 2001, and
- (2) The remaining one-half of the salary increase shall become effective on July 1, 2002.

<u>Proposed Resolution</u> further requires that the salary increases for the governor and other statewide elected officials shall be funded from the existing revenues of each respective department or office.

January 22, 2001 Page 18

CHANGES IN STATUTORY LANGUAGE TO IMPLEMENT RECOMMENDED CHANGES IN EXPENSE ALLOWANCES

(Amends R.S. 24:31.4, Adds R.S. 24:38(E), and Repeals R.S. 24:24:31.1(E))

To amend and reenact R.S. 24:31.4 and to enact R.S. 24: 38(E) as follows:

§31.4. Members' office allowance

A. In addition to the salary, per diem, and all other allowances provided by law for members of the legislature, each member of the legislature shall be paid a monthly expense allowance in the amount of <u>one thousand</u> five hundred dollars per month, or so much thereof as may be necessary, for payment of rent for office space in a parish or parishes which he represents, and for payment of the cost of maintaining utilities in said office or offices and for other expenses related to the holding or conduct of <u>their his</u> office. This allowance shall be used only for expenses directly related to the duties of office and shall not be used for political purposes, including but not limited to any publication or communication that has the effect of supporting or opposing the election or reelection of a person to public or party office.

- B. Any payment, under the allowance provided in Subsection A hereof for office rental shall be used only for payment of rental for office space in a building situated in a parish which the member represents, and in no case shall payment be made for office space which is located in the legislator's residence. Payment under the allowance provided in Subsection A for cost of utilities and other expenses shall be for reimbursement for cost of electric, water, gas, telephone, and telegraph service for the legislator's district office and for such other office expenses, including but not limited to stationery and other supplies.
- C. Each legislator may carry forward from month to month the unexpended balance of the allowance from prior months, but may carry forward at the end of the fiscal year not more than an unexpended balance of three thousand dollars. This expense allowance shall be the legal maximum expense allowance provided to a representative or a senator; however, this limitation shall not preclude the payment by the House or Senate for a member of extraordinary expenses approved by the respective presiding officer provided any such extraordinary expenses so paid or reimbursed shall be reported by the respective presiding officer to the Legislative Budgetary Control Council and the Compensation Review Commission.
- C.D. The allowance provided in Subsection A shall be withdrawn from the treasury and paid to the persons entitled thereto in the same manner as is provided by law for the salary provided in R.S. 24:31.1. Each member shall be required to file with the presiding officer, prior to payment of the allowance each month, an itemized statement of expenses, and appropriate invoices or receipts supporting the same. The amount of the allowance paid to each member each month shall be equal to the total amount of the

itemized statement, provided that in no case shall the total reimbursement exceed <u>one</u> thousand five hundred dollars.

E. The Legislative Budgetary Control Council shall adopt uniform rules for the House and Senate governing administration and permissible uses of this expense allowance and the Legislative Budgetary Control Council shall provide daily oversight and regulation of the expense allowance.

* * *

§38. Legislative Budgetary Control Council; budgetary controls; legislature; legislative agencies; legislative committees; budget unit statements; fiscal notes

* * *

- E.(1) The Legislative Budgetary Control Council shall adopt uniform rules for the House and Senate governing administration and permissible uses of the expense allowance provided in R.S. 24:31.4 and the Legislative Budgetary Control Council shall provide daily oversight and regulation of the expense allowance.
- (2) Rules adopted pursuant to this Subsection shall not be subject to approval by a majority vote of the members of both houses as provided in Paragraph B of this Rule.

To repeal R.S. 24:31.1(E) which provides for the unvouchered expense allowance for legislators.

HOUSE RESOLUTION TO REPEAL PROVISIONS FOR HOUSE SUPPLEMENTAL EXPENSE ACCOUNT

Regular Session, 2001

HOUSE RESOLUTION NO.

BY REPRESENTATIVE

HOUSE RULES: Repeals provision for supplemental expense account

2 To repeal House Rule 6.26(C) of the Rules of Order of the House of Representatives, to 3 remove provisions authorizing the House Executive Committee to establish a 4 vouchered allotment for House members. 5 BE IT RESOLVED that House Rule 6.26(C) of the Rules of Order of the House 6 of Representatives is hereby repealed in its entirety. 7 BE IT FURTHER RESOLVED that this Resolution shall become effective if and 8 when the legislature enacts legislation to provide a monthly vouchered expense 9 allowance of one thousand five hundred dollars for members of the legislature.

A RESOLUTION

1

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

HR No.

<u>Present House Rule</u> authorizes the House Executive Committee to establish an annual vouchered allotment for House members to be drawn monthly. Specifies that it be used exclusively for expenses incurred in the course and scope of duties as a House member, such as rent for office space; electricity; water; gas; telephone; communication services; stationery; supplies; mileage or expense reimbursement for official travel in or out of state; and other expenses related to the holding or conduct of office. Provides for setting the allotment by February 1st of each year, to be effective for the succeeding fiscal year by adoption of an Executive Committee resolution in an open public hearing.

Proposed House Rule repeals present House Rule.

(Repeals House Rule 6.26(C))

January 22, 2001 Page 22

APPENDICES

- 1.0 Minutes of meeting (9/28/00)
 - 1.1 Chapter 26, Compensation Review Commission statutes
 - 1.2 Compensation Review Commission Report of Information Received by the Commission and Recommendations dated February 16, 2000
 - 1.3 Summary of Louisiana Legislative Compensation, Benefits, and Expense Allowances as prepared by House Legislative Services staff on September 27, 2000
 - 1.4 Louisiana State Senate, Senators Emoluments of Office
 - 1.5 Louisiana House of Representatives, Compensation of Members
 - 1.6 Report of the Special Legislative Salary Study Committee dated April 11, 1975
- 2.0 Minutes of meeting (9/29/00)
 - 2.1 Louisiana State Senate, Senators Emoluments of Office, Summary Page only
 - 2.2 Correspondence from Senator Lynn Dean
 - 2.3 Selected Expense Information and Correspondence from Senator Clo Fontenot
 - 2.4 Transmittal Correspondence to House Speaker and Senate President; and Commission Recommendation for Legislative Expense Allowance as Adopted by the Commission on September 29, 2000
- 3.0 Minutes of meeting (1/8/01)
 - 3.1 Resume of new member, Richard Bushnell
 - 3.2 Compilation of House member responses to the *Questionnaire Concerning Legislative Pay and Expenses* as compiled by the office of Charlie DeWitt, House Speaker
 - 3.3 Compilation of Senate member responses to the *Questionnaire Concerning Legislative Pay and Expenses* as compiled by the House Legislative Services staff
 - 3.4 (Refer to previous appendix 2.4) Commission Recommendation for Legislative Expense Allowance as Adopted by the Commission on September 29, 2000

- 3.5 Draft copy of the *Memorandum of Proposed Commission Recommendation for Legislative Salary and Expenses* dated January 8, 2001 (1:32 p.m.)
- 3.6 Commission Recommendation for Legislative Salary and Expenses as Adopted by the Commission on January 8, 2001
- 4.0 Minutes of meeting (1/22/01)
 - 4.1 NCSL Legisbrief Legislators' Tax Home
 - 4.2 Information on Tax Home
 - 4.3 Comparative Study of Legislative Compensation in Other States
 - 4.4 Draft copy of Commission Recommendation for Legislative Salary and Expenses Proposal for Consideration by the Commission on January 22, 2001
 - 4.5 (Refer to previous Appendix 1.2) Compensation Review Commission Report of Information Received by the Commission and Recommendations as approved by the Commission on February 16, 2000
 - 4.6 Draft copy of Commission Recommendation for Salary for Statewide Elected Officials and the Governor, Proposal by the Commission on January 22, 2001
 - 4.7 Survey of Benefits Offered to Statewide Elected Officials From a Selection of Other States
 - 4.8 Salary for Louisiana Statewide Elected Officials and Their Counterparts in Selected States
 - 4.9 Commission Recommendation for Legislative Salary as Adopted by the Commission on January 22, 2001
 - 4.10 Commission Recommendation for Salary for Statewide Elected Officials and the Governor As Adopted by the Commission on January 22, 2001
- 5.0 Resolution by the Executive Committee of the House of Representatives pertaining to the Supplemental Accounts for Members of the House

The attachments for this report are on file with the House Legislative Services Research Library and the Committee on House and Governmental Affairs.